

84TH CONGRESS  
1ST SESSION

# H. R. 7382

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## IN THE HOUSE OF REPRESENTATIVES

JULY 14, 1955

Mr. HOFFMAN of Michigan introduced the following bill; which was referred to the Committee on Government Operations

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## A BILL

To provide for the termination of Government operations which are in competition with private enterprise.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That this Act may be cited as the "Termination of Federal  
4       Commercial Activities Act".

5       SEC. 2. The Congress hereby declares that the policy of  
6       the Federal Government should be at all times the encour-  
7       agement of private enterprise. Certain activities of the Fed-  
8       eral Government have developed which tend to discourage  
9       private enterprise, in that the Federal Government is en-  
10      gaging in commercial and industrial activities in direct com-  
11      petition with activities engaged in by private persons for

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1 profit. These commercial activities engaged in by the Fed-  
2 eral Government deprive governments at all levels of tax  
3 revenues, and by competing with private enterprise, weaken  
4 the strength of our national economic system. It is there-  
5 fore the purpose of this Act to provide for the termination,  
6 to the maximum feasible extent, of all commercial activities  
7 engaged in by the Federal Government which compete with  
8 private enterprise.

9 It is declared to be the policy of the Congress that the  
10 Federal Government shall not engage in business-type op-  
11 erations competitive with private enterprise except where  
12 it can be demonstrated that it is necessary for the Gov-  
13 ernment itself to perform such operations in furtherance  
14 of national programs and objectives legally established.

15 SEC. 3. It shall be the duty of the Secretary of Com-  
16 merce, acting under the instructions, rules, and regulations  
17 issued by the President, to receive from the public and  
18 examine specific complaints of Government competition with  
19 private enterprise, and where the facts warrant, consult and  
20 cooperate with officers of the Government supervising the  
21 Government business-type operations complained about in  
22 order to suggest, where appropriate, the termination or  
23 limitation of Government competition through the utiliza-  
24 tion of private facilities, products, or services in lieu thereof.

1        SEC. 4. As used in this Act, the term "commercial  
2 activity" means any commercial or industrial activity per-  
3 formed by the Federal Government which is directly in  
4 competition with activities engaged in by private persons  
5 for profit.

6        SEC. 5. The President shall examine and from time to  
7 time reexamine each commercial activity engaged in by  
8 each department, agency, and independent establishment  
9 in the executive branch of the Government, and shall de-  
10 termine what the effect, if any, on essential activities of  
11 the Federal Government would be of terminating such  
12 commercial activity.

13       SEC. 6. Whenever the President, after investigation, finds  
14 that any commercial activity engaged in by the Federal  
15 Government in the United States can be carried on by private  
16 enterprise without substantially impairing essential activities  
17 of the Federal Government, he is authorized to terminate  
18 such activity: *Provided, however,* That nothing herein con-  
19 tained shall apply to any Government business-type oper-  
20 ations heretofore or hereafter specifically authorized by the  
21 Congress: *And provided further,* That nothing herein con-  
22 tained shall apply to any Government business-type opera-  
23 tions which have been in existence and continually carried on  
24 for a period of twenty-five years until the discontinuance of

1 such business has been submitted to the Congress and the  
2 Congress has for a period of sixty legislative days failed to  
3 disapprove of the discontinuance of such business.

4 NEW GOVERNMENT BUSINESS-TYPE OPERATIONS

5 SEC. 7. Before establishing any new Government busi-  
6 ness-type operations which may be competitive with private  
7 enterprise or requesting or expending funds for such oper-  
8 ations, it shall be the duty of each Government department,  
9 agency, establishment, or instrumentality, planning to estab-  
10 lish such operations to submit a report to the Director of the  
11 Bureau of the Budget, in such form as he may prescribe,  
12 describing in detail the proposed new Government business-  
13 type operations. It shall be the duty of the Director of  
14 the Bureau of the Budget to make a recommendation to  
15 the President as to whether such contemplated operations  
16 should be established, bearing in mind the policy declared in  
17 section 2 of this Act.

18 SEC. 8. The President shall make an annual report to  
19 the Congress concerning operations under this Act, together  
20 with such information, comments, and recommendations as  
21 he may deem appropriate for furthering the policy declared  
22 in section 2 of this Act.

23 SEC. 9. Such sums as may be required to carry out the  
24 purposes of this Act are hereby authorized to be appro-  
25 priated.

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